

# **PHASED RETIREMENT**

## **NASA Guide for Center Human Resources Offices**

### **Overview of Key Responsibilities**

- Identify delegations of authority from the Center Director, if any, for:
  - Approvals to enter, extend or end phased retirement to return to regular employment;
  - Reconsideration of disapproved applications; and
  - Approval for exceptions to work schedule limits and mentoring requirements.
- Determine if any bargaining unit at the Center excludes part time employees.
- Provide advice and counsel to employees, phased retirees and management on phased retirement program requirements, including timekeeping practices and performance elements for mentoring. Note: The NASA Shared Services Center (NSSC) will provide the employee with retirement counseling regarding their annuity and employee benefits.
- Manage and facilitate the application and approval processes, associated documentation and personnel actions processing.
- Provide applicants with management decision.
- Serve as Agency Consent Official on the OPM Phased Retirement Status Election, SF 3116; process personnel actions under Chapter 27 of the Guide to Processing Personnel Actions (GPPA); and transmit required documentation to the NSSC.
- Monitor and ensure compliance with work hour limits and mentoring requirements.
- Maintain documentation records of phased retirees.

### **Instructions Related to the Administration and Management of Phased Retirement**

#### **1. Upon First Learning of an Employee's Interest in Phased Retirement:**

- A. Refer the employee to the NASA Phased Retirement Employee Guide and other materials on the NSSC website.
- B. Refer the supervisor to the NASA Phased Retirement Supervisor Guide on the NSSC website.
- C. Provide any other consultation or advice needed or requested at this time, such as who will be the approving official.

#### **2. Upon Receipt of Employee Application for Phased Retirement:**

- A. Establish and maintain a file for each individual of applications, approvals/disapprovals, agreements, waiver approvals and other documentation relevant to the NASA and OPM requirements for phased retirement. These shall be maintained for the duration of the NASA employment period, and for six years where the file includes an approval for work hours beyond the half-time tour of duty.
- B. Confirm the following:
  - 1. Employee meets eligibility requirements (consult with NSSC if necessary). Note: If the employee does not meet eligibility requirements, skip to step 3.
    - a. Retirement eligible in accordance with 5 CFR 831.1711 or 5 CFR 848.201. This includes:
      - (1) CSRS Employees who have at least 30 years of creditable Federal service and are at least age 55, or have at least 20 years of service and are at least age 60.
      - (2) FERS Employees who have at least 30 years of creditable Federal service and have reached their Minimum Retirement Age (MRA), or have at least 20 years of service and are at least age 60.

- b. Employed full time for 3 years immediately prior to the proposed effective date of phased retirement status.
2. All elements of the application template have been included:
  - a. Beginning and ending dates
  - b. Proposed bi-weekly work schedule of 40 hours per pay period
  - c. Full description of work to be performed
  - d. A complete mentoring plan addressing knowledge to be transferred, to whom, by what method, and on what schedule
  - e. Employee certifications and signature
  - f. If proposed work or mentoring will be performed in another organization, application includes whether employee will be detailed or reassigned, and is signed by appropriate officials in both organizations
  - g. If applicant is a supervisor, description of how the supervisory work will be performed during the phased retirement period, e.g., who will be assigned the supervisory duties or how the applicant will accomplish the supervisory duties on a half-time schedule (in the latter case, duty time should be scheduled on most days in the pay period).
  - h. If applicant is SES, application identifies a GS position or set of duties in which the employee will serve while in phased retirement, and includes a statement that the employee is requesting a voluntary change to lower grade to the GS position. (In rare cases an SES employee may be approved for phased retirement while remaining in the SES position; such cases require the approval of the NASA Associate Administrator.)
  - i. If mentoring schedule does not include completion of the 20% requirement each pay period, appropriate justification is included and plan provides for completion of the requirement at least every quarter.
  - j. Any additional content required by the Center is included
  - k. Immediate supervisor has reviewed/signed the application
3. If the employee does not meet basic eligibility requirements or if any of these required elements are missing, return the application to employee with written explanation of the reason and that the 30-day approval period starts again once the application is returned with the required content. Copy the applicant's supervisor.
4. If required elements are included but proposed work or mentoring plan is weak, or proposed start date is unrealistic (less than 90 days from application date), provide feedback to the applicant and supervisor and offer the employee an opportunity to revise the application.
5. If the employee elects to revise the application, a new 30-day approval period begins when the employee returns the application and the HRO determines it is complete.
- C. Immediately coordinate the phased retirement application in accordance with locally established procedures.
  1. Forward the application to the approving official and highlight the date a decision must be issued.
  2. If a decision is not made within the 30-day period, ensure the applicant is notified in writing as to the reason and the estimated decision date.
- D. If an organization wants to hire someone into a NASA position while making a commitment that the individual may enter phased retirement after he/she enters on duty in the new position, the following must take place ***before the effective date of the placement action***:
  1. The individual must submit a phased retirement application and obtain approval following all procedures described above.
  2. If the selectee is already a NASA employee, a phased retirement agreement must be executed.
  3. If the selectee works at another agency, the approval must state (under "Additional requirements or conditions") that the individual's entry into phased retirement is contingent upon NASA's ability to confirm eligibility. Advise the individual that this cannot be done until

after he/she transfers to NASA *and* his/her Official Personnel Folder has been sent to NASA by the losing agency; this may take several months or more. NOTE: The individual must transfer as a full-time employee, or eligibility for phased retirement will be lost (must be full time for 3 years before entering phased retirement).

4. Upon Approval of an Application for Phased Retirement:

- A. Provide decision to employee, copy appropriate management chain, and coordinate effective date.
- B. Inform the NSSC Retirements Counseling function via the NSSC Contact Center.
  - 1. The notification email to the NSSC will have the subject "Phased Retirement Begin Retirement Application."
  - 2. The required content of the email is: "[Employee Name/organization] has been approved to enter phased retirement, with a scheduled effective date of [date] and an ending date of [date]. Please contact the employee as soon as possible to provide instructions for submitting his/her retirement application. Please copy me on the email to the employee. Also please verify the individual's eligibility and confirm via email as soon as possible." Additional information may be provided to the NSSC as appropriate.
  - 3. Attach a copy of the approved Phased Retirement application to the email.
- C. Coordinate with the employee and the approving official to complete and execute the Phased Retirement Agreement (using Agency template) per the terms outlined in the approved NASA Application; attach the approved application to the Agreement. Go over all terms in the Agreement with the employee and have him/her initial each section before signing it.
- D. Have employee complete the Phased Employment/Phased Retirement Status Elections form, SF 3116 Part 1a, Sections A and B.
- E. Complete and sign Part 1a, Section C (Agency Consent), fax completed SF 3116 Part 1a, to the NSSC at 866-779-6772. The original should be given to employee to include with the employee's retirement package. Keep a copy in the HRO file.
- F. Facilitate the establishment of a new PD for the phased retiree that includes, at minimum, the mentoring/knowledge transfer duties and change in Competitive Level Code.
- G. Authorize the Personnel Action for phased retirement
  - 1. Follow the GPPA, Chapter 27, and the Phased Retirement checklist of the NSSC "Request for Personnel Action Submission Guide." Include the new work schedule and the end date of the phased retirement agreement in notes section of the FPPS action.
  - 2. If the employee's bargaining unit does not include part time employees, indicate in the notes section of the FPPS action that the bargaining unit status (BUS) code must be changed and provide the new BUS code. Take any other associated actions required at your Center.
  - 3. Consult with the NSSC's Personnel Action Processing (PAP) Team with questions on processing other changes that may coincide with the employee's entry into phased retirement (e.g., details, changes to lower grade)
  - 4. Forward the action to the NSSC PAP Team in accordance with the personnel action submission deadline
- H. Provide to the employee's immediate supervisor a link to or copy of NASA's "Phased Retirement Supervisor Guide," if not previously accomplished, and direct him or her particularly to the section on supervising a phased retiree.
- I. Establish and maintain a file of all approvals, agreements and any other documentation relevant to the NASA and OPM requirements for phased employment.

4. Upon a Disapproval of an Application for Phased Retirement:

- A. Ensure a written explanation for the disapproval was provided by the approving official
- B. Review the disapproval for fairness and equitability, and consult with the approving official if a concern is identified.
- C. Provide the written decision to the employee and the appropriate management chain.
- D. Refer and follow instructions in Chapter 11 of the NASA Interim Directive if a request for reconsideration is received.

5. During Phased Retirement:

- A. Verify that the performance plan includes a critical element that covers mentoring within 30 days after employee enters phased retirement. If the employee has been reassigned or detailed upon entry into phased retirement, advise gaining and losing supervisors about other responsibilities relating to the performance plan.
- B. Monitor WebTADS reports to ensure that phased retirees are meeting the 20% mentoring requirement each pay period (or each quarter if mentoring plan so permits)
- C. Identify any instance in which a phased retiree exceeds 40 hours in a pay period; then ensure each instance is supported by documentation reflecting approval by the authorized official for circumstances that meet **all** of the legal requirements (retain a copy of the documentation in the HRO file):
  - 1. Immediate, significant and direct threat to life or property;
  - 2. No other qualified employee is available to perform the required work;
  - 3. The phased retiree is relieved from performing excess work as soon as reasonably possible;
  - 4. If emergency situation could be anticipated in advance, management made advance plans to minimize any necessary excess work by the phased retiree.

**NOTE:** Approval of an emergency *is not required* for a phased retiree to exceed 40 hours in a pay period when earning credit hours (maximum of 10 hours may be carried forward to any subsequent pay period) or compensatory time off for travel or religious purposes.

- D. If the mentoring requirement is not being met, or if a phased retiree is working in excess of the 40-hour schedule without approval or in circumstances that do not meet the criteria:
  - 1. Immediately coordinate with management to correct the situation, reiterating program requirements and restrictions. Engage Employee Relations support, if appropriate.
  - 2. For instances when employees work more than the 40-hour biweekly schedule, remind them that retirement system contributions will be withheld from their pay for the extra hours but that the additional duty time will not be used in computing their final annuity.
  - 3. Ensure all parties understand that OPM may direct NASA to terminate an employee's participation in phased retirement for repeated violations of the work schedule limits, and return the employee to regular employment status.
- E. Monitor expiration dates of phased retirement and process separations ***so they are effective before the end of the established phased retirement period:***
  - 1. Receive notifications from the NSSC Personnel Action Processing Team and/or FPPS Data Mart report regarding the upcoming end of each employee's established phased retirement period (original period and approved extensions).
  - 2. Notify supervisor and employee of the upcoming deadline 90-120 days before the end of the phased retirement period. In this communication, advise the employee to submit a request to the NSSC to enter full retirement by submitting the **NSSC Retirement Application or Estimate Request** form at <https://www.nssc.nasa.gov/retirementapp>. In the **Type of Request** field,

select the **Final Phased Retirement** option. The employee will be contacted by the NSSC Retirements Team with further instructions, and to schedule a final retirement counseling session.

3. Separate and clear the employee *on or before the end date of the established phased retirement period*.

6. Upon Employee Request for Extension of Phased Retirement:

- A. Ensure extension request is submitted in writing using the NASA template and all required elements of the template are included. Note: The maximum time an employee may be in phased retirement at NASA is 3 years.
- B. Ensure appropriate official approves request.
- C. Coordinate completion and execution of a new agreement (or addendum to the original agreement) that contains the new end date.
- D. Ensure that request is approved and new agreement is executed before the original phased retirement end date.**
- E. Submit the new end date for entry into FPPS, along with a copy of the new agreement, to the NSSC Personnel Action Processing Team. Send to [nssc@nasa.gov](mailto:nssc@nasa.gov), ATTN: Personnel Action Processing, before the original end date and in accordance with the personnel action submission deadline.
- F. If extension request is denied, inform employee and proceed to separation in accordance with 5.E above.

7. Upon a Phased Retiree's Tentative Selection for a New Position, When the Employee Wants to Remain in Phased Retirement in the New Position:

- A. Request that the selectee complete a new NASA phased retirement application and coordinate approval by the appropriate official in the gaining organization. If the application is approved, complete and have the employee and approving official execute a new agreement, and process the placement action. **The agreement must be executed before the effective date of the placement action.**
- B. If selectee is a phased retiree transferring from another agency, have selectee *also* complete the Phased Employment/Phased Retirement Status Elections Form, SF 3116, part 3a. Sign the Agency Certification portion of the form and fax the completed SF 3116 Part 3a to the NSSC at 866-779-6772. The original should be given to employee to provide to the losing agency (which is responsible for notifying OPM and placing the original form on the right side of the employee's OPF).
- C. Provide the new supervisor a link to or copy of NASA's "Phased Retirement Supervisor Guide," if not already accomplished.
- D. If a request to continue in phased retirement in a new position is not approved, explain remaining options (as applicable) to the selectee: stay in current position/Agency with phased employment status, accept position and return to regular employment, or execute full retirement option.

8. Upon Employee Request to Return to Regular Employment:

- A. Ensure the employee is aware of the impacts of returning to regular employment, particularly that:
  1. Phased retirement is limited to a one-time career event; i.e. the employee can never again enter phased retirement, even if switching agencies.
  2. The period of service during which the employee was in phased retirement will be treated as regular part-time service for annuity computation purposes.

- B. Unless employee was selected for a regular employment position through a normal hiring process, have employee submit a written request through the immediate supervisor to the HRO **at least 90 days before the end of the phased retirement period.**
  1. Forward the application to the approving official, and highlight the date by which a decision must be issued.
  2. If a decision is not made in the 30-day period, ensure the applicant is notified in writing as to the reason and estimated decision date.
- C. Upon approval:
  1. Determine appropriate effective date:
    - a. **Must be before the end date of the phased retirement period.**
    - b. If approval is granted on the 1<sup>st</sup>-15<sup>th</sup> of the month, the effective date is the Saturday before the first day of the first full pay period in the month following the approval date.
    - c. If approval is granted on the 16<sup>th</sup> of the month or later, the effective date is the Saturday before the first full pay period in the second month following the approval date.
  2. Have employee complete the Phased Employment/Phased Retirement Status Elections, SF 3116, Part 2a; sign as the Agency Consenting Official; and fax to the NSSC at 866-779-6772. Mail the original to:
 

NASA Shared Services Center  
Building 1111  
Jerry Hlass Road  
Stennis Space Center, MS 39529-6000
  3. Authorize and code the applicable personnel action, and transmit it to the NSSC for processing in accordance with the submission deadlines.

9. Upon NASA Phased Retiree's Transfer to Another Agency:

- A. **Ending Phased Retirement.** If the phased retiree is returning to regular employment upon transfer:
  1. Have the employee complete the SF 3116, Part 3b, before the transfer is effective;
  2. Fax to the NSSC at 866-779-6772 and mail the original form to the NSSC; and
  3. Document in FPPS notes for the transfer action the gaining agency name and contact number.
- B. **Continuing in Phased Retirement.** If the phased retiree will continue in this status upon transfer, he/she must provide the original SF 3116, Part 3a, to NASA, with the gaining agency's certification documented in Section C. Fax to the NSSC at 866-779-6772 and mail the original form to the NSSC.

**Key References:**

NASA Interim Directive 3831.101, Phased Retirement, and the references therein

Guide to Processing Personnel Actions, Chapter 27